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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

	Application No.	Applicant(s)
Office Action Summary	09/681,413	LUNDEGREN, MARK E.
	Examiner	Art Unit
	Rachel L. Porter	3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>6/20/07</u>.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>1-36 and 48</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) <u>1-36 and 48</u> is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application

6)☐ Other: _____ .

DETAILED ACTION

Notice to Applicant

1.   This communication is in response to the amendment filed 6/20/07. Claims 1-36

and 38-48 are pending. Claims 38-47 have been cancelled.

Continued Examination Under 37 CFR 1.114

2.   A request for continued examination under 37 CFR 1.114, including the fee set

forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this

application is eligible for continued examination under 37 CFR 1.114, and the fee set

forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action

has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 6/20/07

has been entered.

Claim Rejections - 35 USC § 103

3.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

4.   Claims 1-4,6,9-10, 11-14,16,19-20,21,23,26-28, 29,31,34-36 and 48 are rejected

under 35 U.S.C. 103(a) as being unpatentable over Erlanger (USPAP 2003/02001125)

in view of Kraehenbuehl et al (US 2002/0046067)

[claim 1] Erlanger discloses a method of coordinating, by a sponsor, an auction for

providing reinsurance for an insurance program of a cedent by a plurality of reinsurers,

using a server system coupled to a database and at least one client system, the server

and the database are associated with the sponsor (Figure 2; par. 59-68),comprising the

steps of:

- establishing a network of participating reinsurers meeting eligibility requirements

  to participate in said auction; (Figure 5—312, par. 178)

- establishing a reinsurance capacity for each of said participating reinsurers; (par.

  181-189)

- receiving at the server said request for reinsurance of the insurance program

  from the cedent; (Figure 2; par. 180-182)

- performing an underwriting analysis of said request for reinsurance and

  producing an underwriting report including an analysis of risk of loss associated

  with said insurance program (par. 79-90), the sponsor performs the underwriting

  analysis and produces the underwriting report (par. 90-93)

- making said request for reinsurance and said underwriting report available to

  said participating reinsurers and enabling said participating reinsurers to make

  respective bids, during a selected period, to reinsure a portion of said insurance

  program; (par. 191-192)

- submitting bids using the at least one client system by each of the participating

  reinsurers after said request for reinsurance and said underwriting report have

  been made available to the participating reinsurers, (par. 190-192) each bid to

include a maximum percentage of reinsurance for said insurance program

offered by said participating reinsurer and a rate specified by said participating

reinsurer; (par. 193-195)

- receiving bids at the server from said participating reinsurers during said

   selection period; (Figures 1-2; par. 192)

- selecting bids by the sponsor which fulfill said request for reinsurance, as a

   reinsurance proposal; and (par. 48, 198)

- offering said reinsurance proposal to said cedent. (par. 198-199)

   Claim 1 has been amended to recite: "performing by the sponsor an underwriting

analysis of said request for reinsurance and producing by the sponsor an underwriting

report including an analysis of risk of loss associated with said insurance program,

wherein the risk of loss analysis includes an amount of losses expected on said

insurance program over a predetermined period of time."

   Erlanger discloses a method further comprising the steps of :

- performing by the sponsor an underwriting analysis of said request for

   reinsurance and producing by the sponsor an underwriting report including an

   analysis of risk of loss associated with said insurance program (par. 79-90)

   wherein the risk of loss analysis includes an amount of losses expected on said

   insurance program over a predetermined period of time. (par. 90-93)

Erlanger discloses the method of claim 1, substantially as explained above but does not

disclose a method further comprising the step of displaying a submission screen.

Kraehenbuehl disclose a method further comprising:

- displaying a submission screen on the at least one client system for prompting a
  cedent to input a request for reinsurance of an insurance program (Figures 8-9),
  the submission screen is stored within the database and is transmitted to the at
  least one client system (par. 48-49; 70-72), the submission screen including a
  first section for prompting the cedent to input basic parameters of the request for
  reinsurance , and a second section for prompting the cedent to respond to
  questions and attach documents for underwriting the insurance program
  associated with the request. (Figures 8-9, par. 72-74,76)

At the time of the Applicant's invention, it would have been obvious to one of ordinary
skill in the art to modify the method of Erlanger with the teaching of Kraehenbuehl to
include a submission display step. As suggested by Kraehenbuehl, one would have
been motivated to include this feature to provide an efficient electronic marketplace to
sell and purchase reinsurance, which provides transparency and accessibility. (par. 23-
24, 26, and 28)

[claim 2] Erlanger discloses the method as in claim 1 wherein said step of selecting
bids for said reinsurance proposal comprises optimizing the bids selected to minimize
the cost of said reinsurance proposal to said cedent. (par. 177,181,192—the fees
generated by the system help insurers costs down)

[claim 3]   Erlanger discloses a method further comprising the step of notifying said

participating reinsurers that said sponsor will provide a portion of said reinsurance at a

price and percentage to be determined by said sponsor prior to selecting bids for said

reinsurance proposal. (par.166-172: a portion of the fees of data system (i.e. sponsor)

are remitted to the insurer/reinsurer and thus provide a portion of

insurance/reinsurance)

[claim 4] Erlanger discloses a method further comprising the steps of:

- binding by said sponsor selected participating reinsurers to provide reinsurance

  for said insurance program; and (par. 48-49)

- guaranteeing, by said sponsor, payment by each of said selected participating

  reinsurers for any proper claims made for reinsurance of said insurance program.

  (par. 91, 125, and 134—binding insurers/reinsurers to contractual obligations and

  the provision of insurance services)

[claim 6] Erlanger discloses a method further comprising the step of adjusting said rate

of each bid to include a service charge to be paid by said cedent and collected by said

sponsor. (par. 128, 134)

[claim 9] Erlanger discloses a method wherein said reinsurance comprises an

agreement to pay claims obligations under an existing insurance program. (par. 37, par.

49)

[claim 10] Erlanger discloses a further comprising the step of determining whether said

request for reinsurance meets minimum eligibility requirements for submission of said

request to said network of participating reinsurers. (par. 84; 113-116)

[claim 11] Erlanger discloses a method of coordinating, by a sponsor, an auction for

providing insurance for a cedent by a plurality of insurers, comprising the steps of:

- providing a server system associated with the sponsor, the server system

  coupled to a database; (Figures 1-2; par. 59-60; 66-68)

- providing a plurality of client systems associated with the cedent and the plurality

  of insurers, the client systems coupled to the server; (Figures 1-2; par. 59-60)

- establishing a network of participating insurers meeting eligibility requirements to

  participate in said auction; (figure 4—step 301)

- establishing an insurance capacity for each of said participating insurers; (Fig. 4

  step –302, par. 84)

- receiving at the server said request for insurance from the cedent; (par. 91-92)

- performing an underwriting analysis of said request for insurance and producing

  an underwriting report including an analysis of risk of loss associated with said

  insurance (par. 79-81), the sponsor performs the underwriting analysis and

  produces the underwriting report (par. 83-84)

- making said request for insurance and said underwriting report available to said

  participating insurers and enabling said participating insurers to make respective

  bids, during a selected period, to cover a portion of said insurance; (par. 91-93;

par. 178-179) each bid to include a maximum percentage of insurance offered by

said participating insurer and a rate specified by said participating insurer; (par.

181-189)

- submitting bids using the at least one client system by each of the participating

    reinsurers after said request for reinsurance and said underwriting report have

    been made available to the participating reinsurers, (par. 190-192)

- receiving bids at the server from said participating insurers during said selected

    period; (par. 192)

- selecting bids by the sponsor which fulfill said request for insurance, as an

    insurance proposal; and (par. 198, Figure 5)

- offering said insurance proposal to said cedent.(par. 199)

Claim 1 has been amended to recite: "performing by the sponsor an underwriting

analysis of said request for reinsurance and producing by the sponsor an underwriting

report including an analysis of risk of loss associated with said insurance program,

wherein the risk of loss analysis includes an amount of losses expected on said

insurance program over a predetermined period of time."

Erlanger discloses a method further comprising the steps of :

- performing by the sponsor an underwriting analysis of said request for

    reinsurance and producing by the sponsor an underwriting report including an

    analysis of risk of loss associated with said insurance program (par. 79-90)

    wherein the risk of loss analysis includes an amount of losses expected on said

    insurance program over a predetermined period of time. (par. 90-93)

Erlanger discloses the method of claim 11, substantially as explained above but does

not disclose a method further comprising the step of displaying a submission screen.

Kraehenbuehl disclose a method further comprising:

-   displaying a submission screen on the at least one client system for prompting a

    cedent to input a request for insurance (Figures 8-9), the submission screen is

    stored within the database and is transmitted to the at least one client system

    (par. 48-49; 70-72), the submission screen including a first section for prompting

    the cedent to input basic parameters of the request for reinsurance , and a

    second section for prompting the cedent to respond to questions and attach

    documents for underwriting the insurance program associated with the request.

    (Figures 8-9, par. 72-74,76)

At the time of the Applicant's invention, it would have been obvious to one of ordinary

skill in the art to modify the method of Erlanger with the teaching of Kraehenbuehl to

include a submission display step. As suggested by Kraehenbuehl, one would have

been motivated to include this feature to provide an efficient electronic marketplace to

sell and purchase reinsurance, which provides transparency and accessibility. (par. 23-

24, 26, and 28)

[claim 12]   Erlanger teaches a wherein said step of selecting bids for said insurance

proposal comprises optimizing the bids selected to minimize the cost of said insurance

proposal to said cedent. (par. 91, 125—binding insurers/reinsurers)

[claim 13]   Erlanger teaches a method further comprising the step of notifying said

participating insurers that said sponsor will provide a portion of said insurance at a rate

and percentage to be determined by said sponsor prior to selecting bids for said

insurance proposal. (par.166-172: a portion of the fees of data system (i.e. sponsor) are

remitted to the insurer/reinsurer and thus provide a portion of insurance/reinsurance)

[claim 14]   Erlanger teaches a method further comprising the steps of:

-   binding by said sponsor selected participating reinsurers to provide reinsurance

    for said insurance program; and (par. 48-49)

-   guaranteeing, by said sponsor, payment by each of said selected participating

    reinsurers for any proper claims made for reinsurance of said insurance program.

    (par. 91, 125, and 134—binding insurers/reinsurers to contractual obligations and

    the provision of insurance services)

[claim 16]   Erlanger teaches a method further comprising the step of adjusting said

rate of each bid to include a service charge to be paid by said cedent and collected by

said sponsor. (par. 128, 134)

[claim 19] Erlanger teaches a method wherein said insurance comprises an agreement

to pay claims obligations under an existing insurance agreement. (par. 37, par. 49)

[claim 20] Erlanger teaches a method further comprising the step of determining

whether said request for insurance meets minimum eligibility requirements for

submission of said request to said network of participating insurers. (par. 84; 113-116)

[claim 21] Erlanger teaches a process for coordinating, by a sponsor, an auction for

providing insurance for a cedent by a plurality of insurers, the process using a computer

associated with the sponsor coupled to a remote computer (Figure 2; par. 59-68), said

process comprising the steps of:

- establishing a network of participating insurers meeting eligibility requirements to

  participate in said auction; (figure 4—step 301)

- establishing an insurance capacity for each of said participating insurers; (Fig. 4

  step –302, par. 84)

- receiving at the sponsor computer said request for insurance from the cedent;

  (par. 91-92)

- performing an underwriting analysis of said request for insurance by the sponsor

  (par. 79-90)

- producing by the sponsor an underwriting report including an analysis of risk of

  loss associated with said insurance program (par. 79-90) wherein the risk of loss

  analysis includes an amount of losses expected on said insurance program over

  a predetermined period of time. (par. 90-93)

- making said request for insurance and underwriting report available to said

  participating insurers and enabling said participating insurers to make respective

bids, during a selected period, to cover a portion of said insurance; (par. 91-93;

par. 178-179), each bid to include a maximum percentage of insurance offered

by said participating insurer and a rate specified by said participating insurer;

(par. 181-189)

- submitting bids using the remote computer by each of the participating insurers

  after said request and said underwriting report have been made available to the

  participating insurers, (par. 190-192)

- receiving bids from said participating insurers during said selection period; (par.

  192)

- selecting bids which fulfill said request for insurance, as an insurance proposal;

  (par. 198, Figure 5)

- offering said insurance proposal to said cedent; .(par. 199)

- binding said selected participating insurers to provide said insurance; and

- guaranteeing, by said sponsor, payment by each of said selected participating

  insurers for any proper claims made on said insurance. (par. 91, 125, and 134—

  binding insurers/reinsurers to contractual obligations and the provision of

  insurance services)

Erlanger discloses the method of claim 21, substantially as explained above but does

not disclose a method further comprising the step of displaying a submission screen.

Kraehenbuehl disclose a method further comprising:

- displaying a submission screen on the remote computer for prompting a cedent

  to input a request for insurance (Figures 8-9), the submission screen is stored at

a sponsor computer and is transmitted to the remote computer (par. 46, 48-49;

70-72), the submission screen including a first section for prompting the cedent

to input basic parameters of the request for reinsurance , and a second section

for prompting the cedent to respond to questions and attach documents for

underwriting the insurance associated with the request. (Figures 8-9, par. 72-

74,76)

At the time of the Applicant's invention, it would have been obvious to one of ordinary

skill in the art to modify the method of Erlanger with the teaching of Kraehenbuehl to

include a submission display step. As suggested by Kraehenbuehl, one would have

been motivated to include this feature to provide an efficient electronic marketplace to

sell and purchase reinsurance, which provides transparency and accessibility. (par. 23-

24, 26, and 28)

[claim 23] Erlanger discloses a method as further comprising the step of adjusting said

rate of each bid to include a service charge to be paid by said cedent and collected by

said sponsor. (par. 128, 134)

[claim 26] Erlanger teaches a method wherein said step of selecting bids for said

insurance proposal comprises optimizing the bids selected to minimize the cost of said

insurance proposal to said cedent. (par. 91, 125—binding insurers/reinsurers)

[claim 27] Erlanger teaches a method further comprising the step of notifying said

participating insurers that said sponsor will provide a portion of said insurance at a rate

and percentage to be determined by said sponsor prior to selecting bids for said

insurance proposal. (par.166-172: a portion of the fees of data system (i.e. sponsor) are

remitted to the insurer/reinsurer and thus provide a portion of insurance/reinsurance)

[claim 28]   Erlanger discloses a method wherein said insurance comprises an

agreement to pay claims obligations under an existing insurance agreement. (par. 37,

par. 49)

[claim 29] Erlanger teaches a process for coordinating, by a sponsor, an auction for

providing reinsurance for a cedent by a plurality of insurers, the process using a

computer associated with the sponsor coupled to plurality of remote computers (Figure

2; par. 59-68), said process comprising the steps of:

- establishing a network of participating reinsurers meeting eligibility requirements

  to participate in said auction; (Figure 5—312, par. 178)

- establishing a reinsurance capacity for each of said participating reinsurers; (par.

  181-189)

- receiving at said sponsor computer said request for reinsurance from the cedent;

  (par. 192)

- performing an underwriting analysis of said request for reinsurance by the

  sponsor (par. 90-93),

- producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program (par. 79-90) wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time. (par. 90-93)

- making said request for reinsurance available and said underwriting report to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to cover a portion of said reinsurance; (par. 191-192),

- submitting bids using at least one of the remote computers by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, (par. 190-192), each bid to include a maximum percentage of reinsurance offered by said participating reinsurer and a rate specified by said participating reinsurer; (par. 181-189)

- receiving bids from said participating reinsurers during said selected period; (par. 193-195)

- selecting bids which fulfill said request for reinsurance, as a reinsurance proposal; (par. 198)

- offering said reinsurance proposal to said cedent; (par. 198-199)

- binding said selected participating reinsurers to provide said reinsurance; and guaranteeing, by said sponsor, payment by each of said selected participating reinsurers for any proper claims made on said reinsurance. (par. 91, 125, and

134—binding insurers/reinsurers to contractual obligations and the provision of

insurance services)

Erlanger discloses the method of claim 29, substantially as explained above but

does not disclose a method further comprising the step of displaying a submission

screen. Kraehenbuehl disclose a method further comprising:

- displaying a submission screen on at least one of the remote computers for

  prompting a cedent to input a request for reinsurance (Figures 8-9), the

  submission screen is stored at a sponsor computer and is transmitted to the

  remote computer (par. 46, 48-49; 70-72), the submission screen including a first

  section for prompting the cedent to input basic parameters of the request for

  reinsurance , and a second section for prompting the cedent to respond to

  questions and attach documents for underwriting the reinsurance associated with

  the request. (Figures 8-9, par. 72-74,76)

At the time of the Applicant's invention, it would have been obvious to one of ordinary

skill in the art to modify the method of Erlanger with the teaching of Kraehenbuehl to

include a submission display step. As suggested by Kraehenbuehl, one would have

been motivated to include this feature to provide an efficient electronic marketplace to

sell and purchase reinsurance, which provides transparency and accessibility. (par. 23-

24, 26, and 28)

[claim 31]   Erlanger teaches a method further comprising the step of adjusting said

rate of each bid to include a service charge to be paid by said cedent and collected by

said sponsor. (par. 128, 134)

[claim 34] Erlanger teaches a method wherein said step of selecting bids for said

reinsurance proposal comprises optimizing the bids selected to minimize the cost of

said reinsurance proposal to said cedent. (par. 91, 125—binding insurers/reinsurers)

[claim 35] Erlanger teaches a method further comprising the step of notifying said

participating reinsurers that said sponsor will provide a portion of said reinsurance at a

rate and percentage to be determined by said sponsor prior to selecting bids for said

reinsurance proposal. (par.166-172: a portion of the fees of data system (i.e. sponsor)

are remitted to the insurer/reinsurer and thus provide a portion of

insurance/reinsurance)

[claim 36] Erlanger teaches a method wherein said reinsurance comprises an

agreement to pay claims obligations under an existing reinsurance agreement. (par. 37,

par. 49)

[claim 48] The limitations of claim 48 are substantially similar to those recited in claims

1, 21, and 29. Insofar as the methods of these claim has been shown to be obvious

over the teachings of Erlanger (USPAP 2003/02001125) in view of Kraehenbuehl et al

(US 2002/0046067), it is respectfully submitted that the underlying system to perform

the method is also obvious over the teachings of Erlanger (USPAP 2003/02001125) in

view of Kraehenbuehl et al (US 2002/0046067). Therefore, claim 48 is rejected for the

same reasons provided in the rejections of claims 1,11, 21, and 29, and incorporated herein.

5.   Claims 8,18,25, and 33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Erlanger (USPAP 2003/02001125) and Kraehenbuehl et al (US 2002/0046067) as applied to claims 1,11, 21, and 29 ,and in further of in view of Admitted Prior Art (in accordance with MPEP 2144.03 (C)).

[claim 8] Erlanger discloses the method of claim 1 as explained in the rejection of claim 1, but does not expressly disclose a method further comprising, after said step of selecting bids for said reinsurance proposal, the step of allowing a cedent to adjust a percentage of participation of selected and non-selected participating reinsurers within each participating reinsurer's capacity. However, it is respectfully submitted that the use of use of "counteroffers" in a negotiation process is old and well known in the art. At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Erlanger to allow the insurance seeker (e.g. cedant) to adjust the percentage of participation in the bidder's proposal within each bidder's range (i.e. reinsurer's capacity). One would have been motivated to include this feature to facilitate the selection process among proposals that may otherwise be equally competitive.

[claim 18]   The limitations of claim 18 are substantially similar to claim 8, and are addressed by the rejection of claims 8 and 11.

[claim 25]   The limitations of claim 25 are substantially similar to claim 8, and are

addressed by the rejection of claims 8 and 21.

[claim 33]   The limitations of claim 33 are substantially similar to claim 8, and are

addressed by the rejection of claims 8 and 29.

6.   Claims 5,7,15,17,22,24,30, and 32 and rejected under 35 U.S.C. 103(a) as being

unpatentable over Erlanger (USPAP 2003/02001125) and Kraehenbuehl et al (US

2002/0046067) as applied to claims 1,11, 21, and 29 and in further view of Walker et al

(USPN 6,119,093).

[claim 5]   Erlanger discloses a method for coordinating the auction of insurance

through a sponsor as disclosed in the rejection of claim 4, but does not expressly

disclose that the method further comprises adjusting bids for credit risk and collecting a

credit risk charge against the insuring entity against a possible default. Walker

discloses a system/method in which a line of credit and verification of a credit line is

determined for bidding investors in an insurance syndication system. This credit line

may be frozen for a period of time pending any transaction for the syndicated insurance

policy (col. 5, lines 9-28—e.g. securing a credit risk charge). At the time of the

Applicant invention, it would have been obvious to one of ordinary skill in the art to

modify the method of Erlanger with the teaching of Walker to secure a credit risk charge

to protect against defaults from insuring "investing"/bidding parties. As suggested by

Walker, one would have been motivated include this feature to add a measure of

financial security to the transaction and offset a portion of the risk. (col. 1, lines 25-52)

[claim 7] Erlanger teaches a method of coordinating members of an insurance auction

and further discloses binding said selected participating reinsurers/ insurers to provide

reinsurance for said insurance program; (par. 91, 125, and 134—binding

insurers/reinsurers to contractual obligations and the provision of insurance services).

Erlanger does not disclose:

- collecting premiums from said cedent for said reinsurance and distributing to

  each of said selected participating reinsurers its share of the premiums collected;

  and

- processing claims made against said reinsurance, including notifying each said

  selected participating reinsurers of claims due under said reinsurance, collecting

  claims payments from each of said selected participating reinsurers, and

  distributing said claims payments to said cedent.

Walker discloses a method further comprising collecting premiums from the insured and

distributing them to the insuring entity/-ies (Figure 13) and processing claims under the

insurance (e.g. reinsurance policy) (Figure 14). At the time of the Applicants invention,

it would have been obvious to one of ordinary skill in the art to modify the method of

Erlanger with the teaching of Walker. As suggested by Walker, one would have been

motivated to include these features to offer a method by which small insurance

syndicates can be more easily created and managed for smaller investors (col. 2, lines 40-44)

[claim 15]   The limitations of claim 15 are substantially similar to claim 5 and are addressed by the rejections of claims 5 and 14.

[claim 17]   The limitations of claim 17 are substantially similar to claim 7 and are addressed by the rejections of claims 7 and 11.

[claim 22]   The limitations of claim 22 are substantially similar to claim 5 and are addressed by the rejections of claims 5 and 21.

[claim 24]   The limitations of claim 24 are substantially similar to claim 7 and are addressed by the rejections of claims 7 and 21.

[claim 30]   The limitations of claim 30 are substantially similar to claim 5 and are addressed by the rejections of claims 5 and 29.

[claim 32]   The limitations of claim 32 are substantially similar to claim 7 and are addressed by the rejections of claims 7 and 29.

Response to Arguments

(A)   Applicant's arguments filed 6/20/07 have been fully considered but they are not persuasive.

Applicant apparently argues newly added limitations. However additional citations have been provided for applicant's consideration.

(B)   Applicant argues an improper combination has been applied in the rejection of claims 5,7,15,17,22,30, and 32.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.,* 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Rachel L. Porter whose telephone number is (571) 272-6775. The examiner can normally be reached on M-F, 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on (571) 272-6776. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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